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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/932,588	08/17/2001	James T. Pantaja	018167-003800US	5221
6449	7590	05/18/2006	EXAMINER	
ROTHWELL, FIGG, ERNST & MANBECK, P.C. 1425 K STREET, N.W. SUITE 800 WASHINGTON, DC 20005			LASTRA, DANIEL	
		ART UNIT	PAPER NUMBER	3622

DATE MAILED: 05/18/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/932,588	PANTAJA ET AL.	
	Examiner	Art Unit	
	DANIEL LASTRA	3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 21 April 2006.
- 2a) This action is FINAL. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 1-8, 10-19 and 21 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 1-8, 10-19 and 21 is/are rejected.
- 7) Claim(s) _____ is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
 Paper No(s)/Mail Date _____.
- 4) Interview Summary (PTO-413)
 Paper No(s)/Mail Date. _____.
- 5) Notice of Informal Patent Application (PTO-152)
- 6) Other: _____.

DETAILED ACTION

1. Claims 1-8, 10-19 and 21 have been examined. Application 09/932,588 (Redemption System for Award Redemption) has a filing date 08/17/2001.

Response to Amendment

2. In response to Final Rejection filed 12/23/2005, the Applicant filed an Amendment on 04/21/2006, which amended claims 8, 16 and 19.

Specification

3. The disclosure is objected because the following items are not understood: page 12, lines 1-4 mentions that awards corresponding to row 338 were earned at business "5" according to promotion "1". However, Applicant's figure 3 shows that awards corresponding to row 340 were earned at business "5" and awards corresponding to row 338 were earned at business "4". Then, according to Applicant's figure 4, the awards earned in row 340 are not encumbered, however, Applicant's specification page 12, lines 1-4 mentions that awards in row 340 are the most encumbered. Proper correction is required.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-8, 10-19 and 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ikeda (US 5,937,391).

As per claim 1, Ikeda teaches:

A method in a redemption system for determining which awards to redeem, the method comprising:

maintaining an award history database that includes award transaction information that describes awards earned by a consumer and, for each earned award, the type of award (see figure 8);

maintaining an encumbrance database that describes types of awards that cannot be redeemed at one or more suppliers (see figure 9). Applicant's specification page 13 teaches "encumbrance of awards is measured in terms of restrictions on redeeming the awards at certain suppliers. Particularly, awards are encumbered if one or more suppliers will not accept them for redemption". Ikeda teaches in figures 6 and 9 that shop E (i.e. supplier) would not accept the awards points earned by customers in other stores. Also, Ikeda teaches in column 11, lines 24-50 "If the number of the redeeming points has not reached the value specified by the customer, then the deficit is compensated by the points accumulated for other shops from the oldest points in step S41". Ikeda teaches that points are redeemed by priority from the oldest and from the type of shop that said points were earned (i.e. points from shop D were not redeemed even though they had an oldest effective date than points from shop B). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Ikeda teaches an encumbrance database that

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describes the awards (i.e. points) that cannot be redeemed at one or more suppliers (i.e. points earned in shop A cannot be redeemed at shop E) and also teaches a restriction in redeeming points based on priority, effective date and shop where said points were earned.

receiving a request to redeem an amount of the earned awards at a chosen supplier (see figure 13);

determining allowed awards that can be redeemed with the chosen supplier (see figure 16; see column 11, lines 35-50; "points are redeem from the oldest one by priority");

determining encumbrance levels of the allowed awards based on the types of allowed awards and the data in the encumbrance database (see figure 16; see column 8, lines 1-25; "premium points"; see figure 9; premium points are redeem at a double rate than normal points, (i.e. 2 Yen for 1 points instead of 1 Yen for 1 point); point redeeming ratio 0 means that awards or points are not redeemable at business E, therefore are encumbered; column 11, lines 35-50 "points are redeemed from the oldest one by priority"). Applicant's specification page 13, line 31-33 defines "types of awards" as "awards may be classified into different types of awards. For example, if a consumer performs some special earning activity, the consumer might receive special awards that permitted redemption for certain goods, services, etc." Ikeda teaches in figure 9 and column 8, lines 1-25 "premium points" which are points which are given in promotions periods and that have a different redeeming ratio from other points (i.e. premium points

are redeemed at double rate than normal points). Therefore, Ikeda teaches “different types of awards” as defined by Applicant’s specification.

determining which of the allowed awards to redeem based on the encumbrance levels (see figure 9). Applicant’s figure 4 discloses that awards earned at business 2 are not accepted by supplier 200 and therefore, are encumbered but awards earned at business 3 are accepted at supplier 200, and therefore, are not encumbered. Ikeda teaches in figure 9 and column 8, lines 15-20 that “shop E” has a point issue ratio of 0 and a point redeeming ratio of 0 meaning that any purchase made in shop E would award zero points. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that points awarded to a customer at “shop B” and “shop C” (see figure 9) would have the same encumbrance level (i.e. least encumbrance level) when deciding which points to use to redeem merchandise purchase at “shop A”, as said points would be equally accepted for redemption of said merchandise by said “shop A”. However, purchases made by customers in “shop E” would be most encumbered (i.e. most encumbrance level) because said purchases made in “shop E” would have a point issue ratio of zero points and therefore, would not be accepted for points redemption in “shop A”.

As per claim 2, Ikeda teaches:

The method of claim 1 wherein determining which of the allowed awards to redeem is further based on expiration dates of the allowed awards (see figure 9 “effective term”; column 6, lines 29-39).

As per claim 3, Ikeda teaches:

The method of claim 1 wherein determining which of the allowed awards to redeem is further based on dates on which the allowed awards were earned (see figure 8, "Purchase data"; see column 8, lines 1-25; "premium points"; see figure 9).

As per claims 4 and 12, Ikeda teaches:

The method of claim 1 wherein the type of award includes according to which promotion the award was earned (see figure 8, "points"; see column 8, lines 1-25; "premium points"; see figure 9).

As per claims 5 and 13, Ikeda teaches:

The method of claim 1 wherein the type of award includes from which business the award was earned (see figure 8, "Name of Shop"; see column 8, lines 1-25; "premium points"; see figure 9; Shop F gives premium points in a special service date).

As per claims 6 and 14, Ikeda teaches:

The method of claim 1 wherein the type of award indicates black-out dates on which the award cannot be redeemed. However, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that if the Ikeda's award system indicates expiration dates after which the prize would not be redeemed, the Ikeda's award system would also indicate black-out dates where earned points would not be accepted for redemption. Black-out dates is a well known practice set up by points issuers where certain special dates (i.e. thanksgiving, July 4, etc), are classified black-out dates for the purpose of not allowing customer to redeem said point issuers' products with points when said products would have a guaranteed purchaser that would purchase said products with money instead of points. For example, airlines

do not allow their frequent flier customers to redeem tickets with points in certain dates (i.e. black-out dates) such as July 4, because said airlines know that due to the increase business volume caused by the special date, said airlines would have a guarantee purchaser, which would purchase said tickets with money instead of points, therefore, increasing profits to said airlines. Therefore, airlines would classified certain dates as black-out dates for the purpose of increasing profits and taking advantage of the increase of business volume on those black-out dates.

As per claims 7 and 15, Ikeda teaches:

The method of claim 1 wherein the type of award indicates a classification of the award (see column 8, lines 1-25; "premium points"; see figure 9; column 11, lines 35-50 "points are redeemed by priority from the oldest one").

As per claims 8 and 19, Ikeda teaches:

A method in a redemption system for determining which awards to redeem, the method comprising:

maintaining an award history database that includes award transaction information that describes awards earned by a consumer and including, for each earned award, an expiration date and the type of award (see figure 16; see column 8, lines 1-25; "premium points"; see figure 9; premium points are redeem at a double rate than normal points, i.e. 2 Yen for 1 points instead of 1 Yen for 1 point; point redeeming ratio 0 means that awards or points are not redeemable at business E, therefore are encumbered; column 11, lines 35-50 "points are redeemed from the oldest one by priority");

maintaining an encumbrance database that describes restrictions on redeeming types of awards (see figure 8; column 11, lines 35-50 teaches that points are redeemed by priority from the oldest one and by the type of shop that said points were earned, where only points from shop B were redeemed even though points earned from shop D had an older effective term than points from shop B). Applicant's specification page 13 teaches "encumbrance of awards is measured in terms of restrictions on redeeming the awards at certain suppliers. Particularly, awards are encumbered if one or more suppliers will not accept them for redemption". Ikeda teaches in figures 6 and 9 that shop E (i.e. supplier) would not accept the awards points earned by customers in other shops. Also, Ikeda teaches in column 11; lines 24-50 "If the number of the redeeming points has not reached the value specified by the customer, then the deficit is compensated by the points accumulated for other shops from the oldest points in step S41". Ikeda teaches that points are redeemed by priority from the oldest and from the type of shop that said points were earned (i.e. points from shop D were not redeemed even though they have an oldest effective date than points from shop B). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Ikeda teaches an encumbrance database that describes the awards (i.e. points) that cannot be redeemed at one or more suppliers (i.e. points earned in shop A cannot be redeemed at shop E) and also teaches a restriction in redeeming points based on priority, effective date and shop where said points were earned.

receiving a request to redeem an amount of the earned awards (see figure 13);

determining allowed awards that can be redeemed based on the expiration date and the types of awards (see figure 16; see column 8, lines 1-25; "premium points"; see figure 9; column 11, lines 35-50; points are redeemed by priority and effective term); and

determining which of the allowed awards to redeem based on the earning date (see column 6, lines 40-50; column 11, lines 35-50);

determining which of the allowed awards to redeem based on the encumbrance levels (see figure 9). Applicant's figure 4 discloses that awards earned at business 2 are not accepted by supplier 200 and therefore, are encumbered but awards earned at business 3 are accepted at supplier 200, and therefore, are not encumbered. Ikeda teaches in figure 9 and column 8, lines 15-20 that "shop E" has a point issue ratio of 0 and a point redeeming ratio of 0 meaning that any purchase made in shop E would award zero points. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that points awarded to a customer at "shop B" and "shop C" (see figure 9) would have the same encumbrance level (i.e. least encumbrance level) when deciding which points to use to redeem merchandise purchase at "shop A", as said points would be equally accepted for redemption of said merchandise by said "shop A". However, purchases made by customers in "shop E" would be most encumbered (i.e. most encumbrance level) because said purchases made in "shop E" would have a point issue ratio of zero points and therefore, would not be accepted for points redemption in "shop A".

As per claims 10 and 21, Ikeda teaches:

The method of claim 8 wherein determining which of the allowed awards to redeem is further based on the types of the allowed awards. The same rejection applied to claim 8 is also applied to claim 10.

As per claim 11, Ikeda teaches:

The method of claim 8 wherein the encumbrance database describes types of awards that cannot be redeemed at one or more suppliers;

wherein receiving a request to redeem further comprises receiving an indication of a chosen supplier at which to redeem the awards; and wherein determining allowed awards is further based on the chosen supplier. The same rejection applied to claim 1 regarding this limitation is also applied to claim 11.

As per claim 16, Ikeda teaches:

The method of claim 8 further comprising:

determining encumbrance levels of the allowed awards based on the types of allowed awards and the data in the encumbrance database. The same rejection applied to claim 1 regarding this limitation is also applied to claim 16.

Claim 17 contains the same limitations as claims 2 and 3 therefore the same rejection is applied.

As per claim 18, Ikeda teaches:

The system of claim 17 wherein the first memory and the second memory are a common memory with storage areas for award transaction information and information related to types of awards that cannot be redeemed at one or more suppliers. The same rejection applied to claim 1 regarding this limitation is also applied to claim 18.

Response to Arguments

5. In response to Personal Interview filed 03/22/2006, the Examiner is withdrawing the Final Rejection filed 12/23/2005 and issuing a new Final Rejection. Because the Examiner had previously agreed in an Examiner Interview filed 03/22/2006 that Ikeda did not teach the limitation “determining which of the allowed awards to redeem based on the encumbrance levels” but upon further reconsideration changed his opinion, the Examiner is issuing a new Final Rejection, instead of an Advisory Action, and also the Examiner is entering Applicant’s amendments.

Applicant's arguments filed 04/21/2006 have been fully considered but they are not persuasive. The Applicant argues that the Examiner has provided no reason why a person of ordinary skill would have been motivated to modify Ikeda to derive the claimed invention. The Examiner answers that the Examiner did not need to provide a motivation to modify the Ikeda art to teach the Applicant's claimed invention because Ikeda teaches the Applicant's claimed invention. The Examiner used a 103 rejection because Ikeda does not clearly teach the word “encumbrance database and level”. However, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that the fact that Ikeda teaches in figure 9 that awards earned in “shop A” cannot be redeemed at “shop E” is equivalent to a person of ordinary skill in the art to the Applicant's term “encumbrance database”, which is defined by Applicant's specification page 2, lines 10-20, as the types of awards that cannot be redeemed at one or more suppliers. And the fact, that Ikeda teaches in figure 9 that awards earned at “shop B” and “shop C” would be equally accepted for redemption at

"shop A" is equivalent to a person of ordinary skill in the art to the Applicant's term "encumbrance level" as defined by Applicant's specification page 12, lines 5-10.

The Applicant submits in page 9 of Applicant's amendment two diagrams to assist in the explanation of the definition of encumbrance level. However, the Examiner answers that said diagrams were not disclosed in the Applicant's specification and therefore, would not be considered. Nowhere, in Applicant's specification is defined the limitation of encumbrance level 1, 2, 3 or 4 as defined in Applicant's amendment pages 10-11.

The Applicant argues that Ikeda does not teach a classification of awards. The Examiner answers that Ikeda teaches "premium points" in figure 9 which are points which are earned in a special promotion period. Therefore, contrary to Applicant's argument, Ikeda teaches classification of awards.

Conclusion

6. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 571-272-6720 and fax 571-273-6720. The examiner can normally be reached on 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W. STAMBER can be reached on 571-272-6724. The official Fax number is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Daniel Lastra
May 13, 2006


RETTA YEHDEGA
PRIMARY EXAMINER